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Senior Research Staff on International Communism

21 April 1960

MEMORANDUM FOR: Director of Central Intelligence

THROUGH:

Deputy Director/Intelligence

SUBJECT: Proposal for U.S. Action in South Korea

- Research Staff are deeply moved by the tragic turn in Korea. We are, however, hardly surprised by the sudden denouement, a long drama of political disorder. During the past two years, SRS has commented on the mounting political hubris against a background of economic corruption which has infected Syngman Rhee, or at least the circles surrounding and perhaps dominating this once venerable hero and leader. In our concern with the study of International Communism, we have pointed out that this course in South Korea was rapidly reaching the point where, if free elections were held, a majority of South Koreans might well opt for union with the North as a protest. Although SRS is also charged with speculation on means of countering Communism, we have hitherto not felt justified in presenting positive recommendations for US action in Korea, since these could only have appeared to be critical of existing US policy.
- 2. A review of the causes of the present situation would seem to indicate that only part of the blame lies on Syngman Rhee. It is clear that he is superannuated and has lost the capacity to distinguish between the political forces of the past and those of the present and future. Unlike certain other elder statesmen, notably Adenauer, his authoritarian tendencies have been exacerbated by near senility and are no longer subject to the check of a strong sense of the living political situation. There appears to be evidence that his entourage is treating him somewhat like an oriental Hindenburg. If such a group were to continue to wield the levers of power, the ultimate beneficiary would be not a Hitler but a Khrushchev and a Mao.
- 3. On the American side, we discern a basic reticence to exercise the necessary role of tutelage. The treatment of South Korea as a sovereign state and independent ally was, from the beginning, artificial. Analogies with Taiwan, Indochina and the Philippines appear to have been drawn without sufficient discrimination of the radically different fundamentals.

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- 4. Acting on this high-minded principle, we have followed an ambivalent policy of both intervention and non-intervention. The basic mistake was to permit and even encourage South Korea to build and maintain an altogether hypertrophic armed force. On the one hand, this has had a provocative effect via North Korea on Communist China, and on the other hand it has permitted Rhee to exercise a certain type of blackmail through the ever-present threat of a march toward the north. It has led to disastrous affronts to Japan. It has involved the US armed forces in great expense and in difficult and at times humiliating relations with the Korean armed forces and native population. The strategic concept which underlay this buildup appears to have been faulty, a survival of the type of limited war which was fought over the issue of the 38th parallel. It should be clear to day that this type of war will not be repeated and the logical inference would seem to be that a trip-wire concept should apply here as in Germany.
- 5. On the economic side, there is considerable evidence that our substantial aid has contributed to the demoralization which is the real cause of the present crisis. It is truly remarkable that the widely reported corruption in the administration of this aid has not been subjected to the publicity which recently hit in much less vulnerable South Vietnam.
- 6. Finally, a precipitating factor, the political dictatorship of Rhee and his associates has long cast a shadow of pending crisis before it. It is bootless to suggest that this could have been forestalled by laboring with the leaders of the Liberal Party over the past few years, and by displaying a degree of moral support for such democratically minded members of the opposition as former Vice President Chang Myon. Our present task is to work among the wreckage.
- 7. In submitting a practical proposal for US action at this time, SRS is mindful primarily of the Communist threat. We believe it possible that the Soviet Union or possibly a "neutral" country, prompted by the Communists, might bring up the question of free elections under UN supervision. This could be coupled with a request that the UN investigate the "violation of human rights" in the aftermath of the recent elections. It is apparent that such a move would be a not ineffective counter to our own tactical ventilation of the free election issues in Germany. In the background and also not without ominous implications is the question of elections in Vietnam.

- 8. The policy avenues open to the US at present are encumbered with difficulties. The first question, of course, is whether we can salvage the prestige of Syngman Rhee and reorient Korean democracy under his authority. In our judgment this is doubtful. Unlike other heroes of national liberation, such as Sukarno, Syngman Rhee stands primarily for a cause of liberation from enemy Japan which is no longer a threat and could become a friend and ally if it were not systematically rebuffed. There seems to be no evidence that Rhee, in his old age, can readjust the image of leadership in resistance against the modern imperialism of Communism so that it would display the dynamism of old. We regretfully believe, therefore, that he is no longer serving the Korean people, the cause of the Free World, or even the advancement of his own position in history.
- 9. Our conclusion therefore is that as graciously, and even compassionately, as possible, we should ease him out of power altogether with his party lieutenants.
- 10. In seeking to rebuild the shattered structure of Korean democracy which would remain, we would almost certainly have to enlist the support of the Korean military. A purely political reconstruction in the immediate future could hardly be achieved by the immature and severely battered elements of the existing opposition.
- vould of course be a difficult step for the US to take. Nevertheless, events of the past few years in other parts of Asia have shown that a responsible core of senior officers may be the soundest instrument for forging a true democracy. This prospect was defended, in connection primarily with Indonesia, by Guy Pauker's article "Southeast Asia as a Problem Area in the Next Decade" (World Politics, Spring 1959), and in turn was subjected to careful and on the whole positive consideration by the Policy Planning Staff of the State Department.
- 12. It is true that in Korea the military has not been disciplined through political experience as it has been in Burma, Indonesia and Pakistan. Nevertheless, the senior Korean officers have had close association with our own military and political representatives and it is our understanding that they are on the whole a capable and highly motivated group. Whether a Ne Win or an Ayub would be found among them remains to be seen, but the balance of evidence suggests that an efficient and responsible cadre of senior officials could be drawn from this source.

- lent military coup would be that it would place in control the only reasonably non-partisan force in the country. It would ensure that the Communists would not be able to gain greater influence as a result of political disorder. Under proper American guidance it could proceed to clean up corruption and to ensure the direction of US aid toward the sound buildup of the Korean economy comparable to that in Taiwan. It would be possible to accomplish a rational reduction in the size of the military establishment (something which President Rhee has blindly opposed) by the proper articulation of defense strategy in the age of mutual nuclear deterrence. Such a regime could readily bring about the essential rapprochement with Japan.
- 14. Although the danger would exist that such a military regime would seek to perpetuate itself in power, the self-denying example set by Ayub and Ne Win would, under our guidance, probably be followed in South Korea. We should insist that the military regard their power as a trust, and begin immediately the task of reconstructing democracy, setting a time table of perhaps two or three years for its full restoration.
- offended by American espousal of the principle of a limited military dictatorship in an allied country. A little reflection should suggest, however, that the forms of democracy which we have approved in Korea, Vietnam and Taiwan have indeed been premature. Inevitably they have led to paternalistic dictatorship, whether by a venerable national hero, a closely knit family, or a tight monopolistic party clinging to the essentially non-democratic forms of an immemorial past. In those areas where our influence, less decisive but perhaps more constructive, has benevolently encouraged patriotic and incorruptible military leaders to assume the responsibility of truly "guiding" the formation of democracy, the results have been promising.
- It will require flexibility combined with a unity of action throughout the vast arc from Tokyo to Rawalpindi, a regional program as yet only dimly prefigured. What we do in Seoul during the next few weeks and months may determine our ability to exert constructive leadership, a leadership which, despite certain impairments, is still universally craved throughout this pregnant area.

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Chief, SRS/DDI